



**Billing Code: 5001-06**

**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

**Announcement of Federal Funding Opportunity (FFO)**

**AGENCY:** Office of Economic Adjustment (OEA), Department of Defense (DoD).

**ACTION:** Federal Funding Opportunity Announcement.

**SUMMARY:** This notice announces a federal funding opportunity (FFO) to obtain funding from the DoD OEA for community planning assistance and economic diversification in response to reductions or cancellations in Defense of Defense (DoD) spending. Assistance may be granted if the reduction has a direct and significant adverse impact on a community or its residents. This notice includes proposal submission requirements and instructions, and eligibility and selection criteria that will be used to evaluate proposals from state or local governments. OEA assistance awards to a state or local government may result from proposals submitted under this notice, subject to available appropriations.

**DATES:** Proposals will be considered for funding on a continuing basis, subject to available appropriations, commencing on the date of publication of this notice. OEA will evaluate all proposals and provide a response to a respondent within 30 business days of OEA's receipt of a final, complete application.

**ADDRESSES:** *E-mail:* FFOsubmit@osd.mil. Include "Proposal for Defense Industry Community Adjustment Assistance" on the subject line of the message and request delivery/read confirmation to ensure receipt.

OEA will review all applications confirmed to be received.

**FOR FURTHER INFORMATION CONTACT:** Mr. Michael Gilroy, DIA Program Co-Lead, OEA, at (703) 697-2081 or michael.gilroy@osd.mil.

**SUPPLEMENTARY INFORMATION:** Federal Funding Opportunity Title: Community Economic Adjustment Assistance for Reductions in Defense Industry Employment.

*Announcement Type:* Federal Funding Opportunity.

*Catalog of Federal Domestic Assistance (CFDA) Number:* 12.611

## **I. Funding Opportunity Description**

OEA is a DoD Field Activity authorized under 10 U.S.C §2391 to provide assistance to entities of state or local governments, including regional governmental organizations, to plan and carry out community adjustment and economic diversification activities in response to the cancellation or termination of a Department of Defense contract, the failure to proceed with an approved major weapon system program, a publicly announced planned major reduction in DoD spending, or the closure or significantly reduced operations of a defense facility as the result of the merger, acquisition, or consolidation of the defense contractor operating a defense facility.

## **II. Award Information**

OEA is accepting proposals for grant awards to support communities or regions in organizing and planning local economic adjustment programs. Proposals will be evaluated by OEA staff in coordination with Department of Commerce, as well as other Federal agencies as invited by OEA, against the eligibility criteria provided in Section III of this notice and the selection criteria provided in Section V of this notice. OEA expects to invite successful respondents to complete full e-grant applications for funding following its determination of an eligible applicant and proposal review. To receive an award, an eligible applicant must submit both a successful proposal and an acceptable grant application. The final amount of each award will be determined by OEA based upon a review of the proposal, as well as comments from other Federal agencies, and will be subject to availability of funds. Grant awards may pay for up to 90% of a project's total cost, with the applicant required to pay not less than 10% of the

project's total cost through non-Federal funding as local match. OEA reserves the right to cancel an award for non-performance.

States may request assistance to enhance their capacity to assist adversely affected communities, businesses and workers; support local adjustment and diversification initiatives; and stimulate cooperation between statewide and local adjustment and diversification efforts.

### **III. Eligibility Information**

States, counties, municipalities, other political subdivisions of a State; special purpose units of a State or local government; and tribal nations are eligible for funding under this notice. If multiple sub-State jurisdictions respond to the same event, only one proposal will be considered. A proposal must respond to: a publicly announced planned major reduction in DoD spending; the closure or significantly reduced operations of a defense facility as the result of the merger, acquisition, or consolidation of the defense contractor operating the defense facility; the cancellation or termination of a DoD contract; or the failure to proceed with an approved major weapon system program.

This DoD activity must result in the loss of: 2,500 or more employee positions, in the case of a Metropolitan Statistical Area; 1,000 or more employee positions, in the case of a labor market area outside of a Metropolitan Statistical Area; or one percent of the total number of civilian jobs in the local labor market for the impacted area. For the purposes of demonstrating eligibility, only direct (i.e., prime and supply chain) job loss may be counted, and respondents may document a cumulative job loss over the span of not more than three consecutive years (e.g., one year prior to proposal and two years forward). Induced job loss will not be considered as a factor in demonstrating eligibility. The applicant must also explain how this job loss will cause direct and significant adverse impacts to the community or residents in the area.

Funding will be awarded to only one governmental entity on behalf of a region, so regional

applicants should demonstrate a significant level of cooperation in their proposal.

A proposal from a State applicant must demonstrate how the proposed grant would support adversely affected communities, businesses and workers; support local adjustment and diversification initiatives or planning for such initiatives; and stimulate cooperation between statewide and local adjustment and diversification efforts. The proposal should also explain efforts to provide business planning and market exploration services to defense contractors and subcontractors seeking modernization or diversification assistance as well as any training, counseling, and placement services to dislocated armed forces and defense workers.

Eligible projects from non-State applicants must be designed to allow an impacted region to: (1) organize itself to represent and respond on behalf of affected communities, workers, and businesses; (2) plan local community and economic adjustment activities to assist affected communities, workers, and businesses; and (3) carry-out plans to effectively respond to the defense impacts and stabilize the local economy. Eligible activities may include (but are not limited to): staffing, operating and administrative costs for an organization; outreach to businesses, workers, and other community interests; regional supply-chain mapping of defense-specific industry clusters; asset mapping to support a response; economic data collection and analysis to identify regional comparative advantages; preparation of diversification plans to lessen economic dependency on defense expenditures; facilitation of workforce adjustment and retraining efforts; provision of business planning and market exploration services for defense contractors and sub-contractors that seek modernization or diversification assistance; and, preliminary strategies and plans for the potential reuse or redevelopment of existing defense facilities.

Funds available under this program should not duplicate nor replicate activities otherwise eligible for/funded through other Federal programs. Respondents are encouraged to submit proposals

which demonstrate appropriate leverage of all public and private resources and programs, such as:

- U.S. Department of Commerce's Manufacturing Extension Partnership (MEP) Program for provision of relevant assistance to the region's manufacturers that operate as part of affected Defense supply chains;
- State, regional, and local economic development organizations which often work with the U.S. Department of Commerce's (DOC) Economic Development Administration (EDA);
- Small Business Development Centers as well as local Small Business Administration District offices; and
- U.S. Department of Labor's (DOL) Employment and Training Administration (ETA) grantees, including local Workforce Investment Boards and/or American Job Centers.

Funds provided under this program may not be used to directly identify or assist a business, including a business expansion, in the relocation of a plant, facility, or operation from one Labor Market Area (LMA) to another if the relocation is likely to result in the loss of jobs in the LMA from which the relocation occurs.

#### **IV. Application and Submission Information**

Proposals will be accepted as received on a continuing basis commencing on the date of this publication and processed when deemed to be a final, complete application. Each proposal shall consist of no more than ten (10) single-sided pages exclusive of cover sheet and/or transmittal letter, and must include the following information:

*A. Point of Contact:* Name, phone number, e-mail address, and organization address of the respondent's primary point of contact;

*B. Defense Action/Impact:* A description of the publicly announced planned major reduction in Department of Defense (DoD) spending; the closure or significantly reduced operations of a defense facility as the result of the merger, acquisition, or consolidation of the defense contractor operating the defense facility; the cancellation or termination of a DoD contract; or the failure to proceed with an approved major weapon system program. Also include documentation of the known or anticipated job loss; the average unemployment rate over the past year; the current unemployment rate; and other factors indicating community impact and need

*C. Project Description:* A description of the proposed project, including how the project addresses the impacts of Defense actions on communities, workers, and businesses;

*D. Project Parties:* A description of the local partner organizations/jurisdictions, and their roles and responsibilities, that will carry out the proposed project, including letters of support as attachments that will not count against the ten-page limit;

*E. Grant Funds and Other Sources of Funds:* A summary of local needs, including need for Federal funding; an overview of all State and local funding sources, including the funds requested under this notice; financial commitments for other Federal and non-Federal funds needed to undertake the project to include acknowledgment to provide not less than 10% of the funding from non-Federal sources; a description of any other Federal funding for which the respondent has applied, or intends to apply to support this effort; and, a statement detailing how the proposal is not duplicative of other available Federal funding;

*F. Project Schedule:* A sufficiently detailed project schedule, including milestones;

*G. Performance Metrics:* A description of metrics to be tracked and evaluated over the course of the project to gauge performance of the project;

*H. Grants Management:* Evidence of the intended recipient's ability and authority to manage grant funds;

*I. Submitting Official:* Documentation that the Submitting Official is authorized by the applicant to submit a proposal and subsequently apply for assistance.

OEA reserves the right to ask any applicant to supplement the information in its proposal, but expects proposals to be complete upon submission. To the extent practicable, OEA encourages applicants to provide data and evidence of all project merits in a form that is publicly available and verifiable.

*Proposals must be submitted electronically to:* Director, OEA, using the electronic address described in **ADDRESSES**.

## **V. Application Review Information**

*Selection Criteria* – Upon validating applicant eligibility, to include job loss numbers and whether there is a direct and significant adverse impact as a result of the job loss on the area, OEA will consider each of the following equally-balanced factors as a basis to invite formal grant applications:

- An appropriate and clear project design to address the need, problem, or issue identified;
- Evidence of an holistic approach to the problem which leverages education, the workforce system, businesses, higher education, economic development, and other relevant assets at local, state, regional, and Federal levels;
- The innovative quality of the proposed approach to economic adjustment, or economic diversification; and,
- A reasonable proposed budget with local match commitment and schedule for completion of the work program specified.

*Review and Selection Process* – All proposals will be reviewed on their individual merit by a panel of OEA staff, all of whom are Federal employees. OEA will also seek the input of other

Federal agencies with relevant expertise (e.g., Labor, Commerce, and the Small Business Administration) in the evaluation of proposals. OEA will notify the applicant within thirty (30) days of receipt of a proposal whether their proposal was successful in selection for grant award and will then invite the applicant to submit a more detailed electronic grant (eGrant) application. The Director, OEA, will then assign a Project Manager to advise and assist successful applicants in the preparation of the application. Grant applications will be reviewed for their completeness and accuracy and a grant award notification will be issued, to the extent possible, within seven (7) business days.

Unsuccessful applicants will be notified by mail or email that their proposal was not selected for further action and funding, and may request a debriefing on their submitted proposal. Requests for debriefing must be submitted within 3 calendar days of notification of an unsuccessful proposal.

OEA is committed to conducting a transparent financial assistance award process and publicizing information about decisions. Applicants are advised that their respective applications and information related to their review and evaluation may be shared publicly. In the event of a grant award, information about project progress and related results may also be made publicly available.

## **VI. Award Administration Information**

In the event a grant is awarded, the successful applicant (Grantee) will receive a notice of award in the form of a Grant Agreement, signed by the Director, OEA (Grantor), on behalf of the Department of Defense. The Grant Agreement will be transmitted electronically or, if necessary, by U.S. Mail.

*Administrative and National Policy Requirements* – The Grantee and any consultant/ contractor operating under the terms of a grant shall comply with all Federal, State, and local laws



applicable to its activities including the following: Part 33 of title 32, Code of Federal Regulations (CFR), “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,” Part 225 of title 2, CFR, "Cost Principles for State, Local, and Indian Tribal Governments," OMB Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations,” and the Single Audit Act, 31 U.S.C. § 7502(h)," Parts 180, “OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement),” and 1125, “Department of Defense Nonprocurement Debarment and Suspension,” of title 2, CFR, Subpart B, “Requirements for Recipients Other Than Individuals,” of Part 26 of title 32, CFR, “Government wide Requirements for Drug-Free Workplace (Financial Assistance),” Part 28 of title 32, CFR, "New Restrictions on Lobbying,” Part 25 of title 2, CFR, “Universal Identifier and Central Contractor Registration” (now found in the System for Award Management (SAM) at [www.sam.gov](http://www.sam.gov)).

*Grant Award Determination* – Selection of an organization under this FFO does not constitute approval of the proposed project as submitted. Before any funds are awarded, OEA may enter into negotiations about such items as program components, staffing and funding levels, and administrative systems in place to support implementation of the award. The amount of available funding may require the final award amount to be less than that originally requested by the applicant. If the negotiations do not result in a mutually acceptable submission, OEA reserves the right to terminate the negotiations and decline to fund the application. OEA further reserves the right not to fund any proposal or application received under this FFO.

In the event the applicant is awarded a grant that is less than the amount requested, the applicant will be required to modify its grant application to conform to the reduced amount before execution of the grant agreement. OEA reserves the right to reduce or withdraw the award if acceptable modifications are not submitted by the awardee within 15 working days from the date

the request for modification is made. Any modifications must be within the scope of the original application.

*Reporting* – OEA requires quarterly performance reports, an interim financial report for each 12 months a grant is active, and one final performance report for any grant. The performance reports will contain information on the following:

- A comparison of actual accomplishments to the objectives established for the period;
- reasons for slippage if established objectives were not met;
- additional pertinent information when appropriate;
- a comparison of actual and projected quarterly expenditures in the grant; and,
- amount of Federal cash on hand at the beginning and end of the reporting period.

The final performance report must contain a summary of activities for the entire grant period.

All required deliverables should be submitted with the final performance report. The final SF 425, “Federal Financial Report,” must be submitted to OEA within 90 days after the end of the grant. Any grant funds actually advanced and not needed for grant purposes shall be returned immediately to OEA. Upon award, OEA will provide a schedule for reporting periods and report due dates in the Grant Agreement.

## **VII. Agency Contacts**

For further information, to answer questions, or for help with problems, contact:

Mr. Michael Gilroy, OEA DIA Program Co-Lead, at (703) 697-2081, [michael.gilroy@osd.mil](mailto:michael.gilroy@osd.mil), or regular mail at 2231 Crystal Drive, Suite 520, Arlington, VA 22202-3711. The OEA homepage address is: <http://www.oea.gov>.

## **VIII. Other Information**

*No Obligation for Future Funding* – Amendment or renewal of an award to increase funding or to extend the period of performance is at the discretion of OEA. If an applicant is awarded

funding under this FFO, neither the DOC, EDA, National Institute of Standards and Technology, DOL, ETA, nor Small Business Administration are under any obligation to provide any additional future funding in connection with that award or to make any future award(s).

*Intellectual Property Rights* – In the event of a grant award, the Grantee may copyright any work that is subject to copyright and was developed, or for which ownership was purchased, under an award. The Federal awarding agencies reserve a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so. Such uses include, but are not limited to, the right to modify and distribute such products worldwide by any means, electronically or otherwise. The grantee may not use Federal funds to pay any royalty or license fee for use of a copyrighted work, or the cost of acquiring by purchase a copyright in a work, where the Department has a license or rights of free use in such work. If revenues are generated through selling products developed with grant funds, including intellectual property, these revenues are program income. Program income is added to the grant and must be expended for allowable grant activities.

Dated: June 12, 2013.

Aaron Siegel,

Alternate OSD Federal Register Liaison Officer, Department of Defense.